



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

## MEMORANDUM

To: \_\_\_ Reporters and Editors  
Re: Army management award  
Da: Thursday, March 13, 2003

Last month, Sen. Chuck Grassley, chairman of the Committee on Finance, questioned a potential presidential merit award to an Army official who has responsibility over Army credit card programs. Grassley has worked to expose government credit card abuse and mismanagement, particularly in the military, where the volume of credit cards has presented significant management problems. Today, Grassley received a letter from Army Secretary Thomas White saying that the manager, Ernest Gregory, will receive the presidential merit award, which carries a \$25,000 cash bonus. Grassley made the following comment on this development.

“I’m very disappointed by Secretary White’s decision. This is the latest in a series of examples of the Pentagon’s failure to hold people accountable for their actions. We’ve seen some of these examples in the news lately. The Army says Mr. Gregory is not ‘directly responsible’ for credit card programs, but he ‘provides executive oversight’ of the travel card program. The General Accounting Office completed a very thorough review of Army credit card programs in June 2002, uncovering widespread fraud and abuse and giving the Army a grade of ‘F’ for management. That’s not a success story. It’s gross mismanagement. And someone at the Pentagon has to accept responsibility for that instead of circling the wagons and giving out awards to those with ‘oversight’ of a program where the wheels fell off.”